

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

DRL ENTERPRISES, INC.,)	
)	
Plaintiff,)	
)	
v.)	Case No. 1:16-cv-08384
)	
NORTH ATLANTIC OPERATING)	Hon. Ruben Castillo
COMPANY, INC., NORTH ATLANTIC)	
TRADING COMPANY, INC. and)	
NATIONAL TOBACCO COMPANY, L.P.,)	
)	
Defendants.)	

STIPULATED FINAL JUDGMENT

WHEREAS, Defendants North Atlantic Operating Company, Inc., North Atlantic Trading Company, Inc. and National Tobacco Company, L.P. (collectively, the “National Tobacco Parties”) brought various opposition and cancellation proceedings in the Trademark Trial and Appeal Board (“TTAB”) of the United States Patent and Trademark Office against Plaintiff DRL Enterprises, Inc. (“DRL”) opposing DRL’s Application Serial Nos. 76/369,872 and 78/157,851 (the “Standard Character Applications”) to register 1.25 and 1.5 in standard character form for “cigarette rolling papers,” and petitioning to cancel DRL’s Registration Nos. 1,481,006, 1,328,866 and 1,331,207 (the “Stylized Registrations”) for 1.0, 1.25 and 1.5 in stylized form for “cigarette rolling papers,” and all such proceedings were consolidated under Proceeding No. 91158276 (the “TTAB Proceeding”); and

WHEREAS, on July 1, 2016, the TTAB issued an opinion in the TTAB Proceeding (the “TTAB Opinion”) in which it sustained the National Tobacco Parties’ oppositions against the

Standard Character Applications and granted the National Tobacco Parties' petitions to cancel the Stylized Registrations; and

WHEREAS, on August 26, 2016, DRL filed this action pursuant to 15 U.S.C. § 1071(b) appealing the decisions in the TTAB Opinion (a) ordering cancellation of the Stylized Registrations (Count I of the Complaint); and (b) sustaining the oppositions against the Standard Character Applications (Count II of the Complaint); and

WHEREAS, in order to avoid the expense and burden of further litigation, the parties have reached a settlement resolving the claims raised in this action pursuant to the terms of this Stipulated Final Judgment to be entered by the Court.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. This Court has jurisdiction over the parties hereto and over the subject matter in issue, and venue is proper in this District.
2. With respect to Count I of the Complaint, judgment is entered on consent of the parties reversing and vacating so much of the TTAB Opinion relating to Cancellation Nos. 92042927, 92042928 and 92043031 as found that the stylization of the Stylized Registrations is insufficient to create registrable marks (including the TTAB findings set forth on pages 55 – 57 relating to stylization of 1.0, 1.25 and 1.5 and on pages 6 - 13 relating to the testimony of Donald Levin and Seth Gold relating to the origination and meaning of those terms as used on cigarette rolling papers). The TTAB is hereby ordered to dismiss Cancellation Nos. 92042927, 92042928 and 92043031 with prejudice.
3. Count II of the Complaint is dismissed with prejudice.

4. Each party shall bear its own costs and attorneys' fees in connection with this action.

5. The parties stipulate and this Court so orders that this Court shall retain jurisdiction over the parties hereto for purposes of enforcing the terms of their settlement agreement and the terms of this Stipulated Final Judgment.

AGREED AS TO FORM AND SUBSTANCE:

Plaintiff DRL Enterprises, Inc.

Defendants North Atlantic Operating Company, Inc., North Atlantic Trading Company and National Tobacco Company, L.P.

By: /s/Anthony J. McShane
One of its Attorneys

By: /s/ Richard S. Mandel
One of Their Attorneys

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Dated: April 25, 2018

Dated: April 24, 2018

APPROVED AND ORDERED this 30th day of April __, 2018.



Chief Judge Rubén Castillo
United States District Court